



SW MO FSA News

April 2010

District 8
USDA Service Center

Website Address
www.fsa.usda.gov/mo

Barry County FSA
Cassville, MO 65625
417-847-2862

Barton County FSA
Lamar, MO 64759
417-682-3571

Bates County FSA
Butler, MO 64730
660-679-6112

Cass County FSA
Harrisonville, MO 64701
816-884-4432

Cedar County FSA
Stockton, MO 65785
417-426-4712

Dade County FSA
Greenfield, MO 65661
417-637-5991

Hickory County FSA
Hermitage, MO 65668
417-745-6496

Jackson County FSA
Blue Springs, MO 64015
816-229-5113

Jasper County FSA
Carthage, MO 64836
417-358-8198

Lawrence County FSA
Mount Vernon, MO 65712
417-466-7107

Newton/McDonald Co. FSA
Neosho, MO 64850
417-451-1007

St. Clair County FSA
Osceola, MO 64776
417-646-8107

Vernon County FSA
Nevada, MO 64772
417-667-8137

The ACRE Program

The Average Crop Revenue Election (ACRE) began in crop year 2009. Through ACRE, the Farm Service Agency (FSA) offers producers an alternative to Direct and Counter-cyclical (DCP) payments. The ACRE alternative provides eligible producers a state-level revenue guarantee, based on the 5-year state Olympic average yield and the 2-year national average price.

The enrollment date for 2010 ACRE is June 1, 2010. ACRE payments are made when both state- and farm-level triggers are met. By participating in ACRE, producers elect to forgo counter-cyclical payments. Producers also elect to receive a 20-percent reduction in direct payments and a 30-percent reduction in loan rates. A decision to elect ACRE binds the producer to the program through the 2012 crop year, the last crop year covered by the 2008 Farm Bill. For more details, contact your local FSA office.

2010 DCP Signup

Enrollment for the 2010 Direct and Counter-cyclical Program (DCP) will continue through June 1, 2010.

USDA urges producers to make use of the eDCP automated website to sign up, or producers can visit any USDA Service Center to complete their 2010 DCP contract. USDA computes DCP Program payments using base acres and payment yields established for each farm. Eligible producers receive direct payments at rates established by statute regardless of market prices. For 2010, eligible producers may request advance direct payments based on 22 percent of the direct payment. For more information on this or other programs, simply contact the nearest FSA office.

Acres Reporting

Acres reporting time will soon be here. Filing an accurate acres report for all crops and land uses, including failed acres and prevented planting acres, can prevent the loss of benefits for a variety of programs. Failed acres must be reported within 15 days of the disaster event and before disposition of the crop. Prevented planting must be reported no later than 15 days after the final planting date. Acres reports are required for many Farm Service Agency programs. **For crops other than NAP (Noninsured Crop Disaster Assistance Program) crops, acres reports are to be certified by the June 30th deadline on small grains and a July 31st deadline on all other crops. Acres reports on crops for which NAP assistance may be paid are due in the county office by the earlier of June 30 for small grains and July 31 for all other crops, or 15 calendar days before the onset of harvest or grazing of the specific crop acres being reported.**

SURE

The Supplemental Revenue Assistance Program (SURE) provides benefits for farm revenue losses due to natural disasters incurred in the crop years 2008 through September 30, 2011. To be eligible for SURE payments, a producer is required to obtain crop insurance on all crops in all counties or, if crop insurance is not available, to participate in the Non-Insured Assistance Program (NAP) except for grazed acreage. However, crop insurance or NAP coverage is no longer required for crops that are not of economic significance or those where the administrative fee required to buy NAP coverage exceeds 10% of the value of the coverage. Eligible farmers and ranchers who meet the definition of Socially Disadvantaged, Limited Resource, or Beginning Farmer or Rancher are exempt from the risk management purchase requirement. The following are the conditions that trigger SURE payments:

- at least one crop of economic significance must suffer a 10% production loss due to an eligible disaster condition
- crop of economic significance is a crop that has contributed or would have contributed at least 5% or more of the total expected revenue from all crops on the farm
- producers in counties declared disaster counties by the Secretary of Agriculture, or in contiguous counties, or those who show proof of an individual loss of at least 50% are eligible to receive SURE payments for crop producer or crop quality losses. Losses are measured with consideration to the whole-farm revenue, which includes crop insurance indemnities and commodity program payments, so that producers are not paid more than once for the same loss.

A SURE calculator is available at: www.fsa.usda.gov/mo. The calculator is not official, but is intended for educational use. A fact sheet and backgrounder are also available online.

NAP Records

Production records for individual crops need to be filed with our office to establish an approved NAP yield. If this is the first year you participated in NAP, you can provide production and acres information from prior years to establish your yield. If you participated in NAP in previous years, you must report your production and acres on a yearly basis to keep your yield up-to-date. Records submitted must be reliable or ver-

fiable. Records need to show crop disposition. We recommend producers submit production records as soon as harvest is complete. All production records must be submitted by the subsequent crop year's final acreage reporting date.

NAP Loss Filing

The CCC-576, Notice of Loss, is used to report failed acreage and prevented planting and may be completed by any producer with an interest in the crop. Timely filing a Notice of Loss is required on for all crops including grasses. For losses on crops covered by the Non-insured Crop Disaster Assistance Program (NAP), you must file a CCC-576 (notice of loss) in the FSA County Office within 15 days of the occurrence of the disaster or when losses become apparent. If filing for prevented planting, an acreage report and CCC-576 must be filed within 15 calendar days of the final planting date for the crop.

HELC & WC Compliance

Producers are reminded of the importance of compliance with highly erodible land conservation (HELC) and wetland conservation (WC) provisions in order to remain eligible for USDA benefits. If producers plan to clear timber and plant an annually-tilled crop, they will need to complete an AD-1026 to have a Highly Erodible Land or Wetland Conservation determination. Producers who plan to plant an annually-tilled commodity that is currently in grass should check with their local FSA to be sure the field has an HEL determination. Producers who have ruts from last year's harvest should make sure that any tillage done to restore their fields will be in compliance with their conservation system to remain in compliance for USDA benefits.

Farm Safety

Flowing grain in a storage bin or gravity-flow wagon is like quicksand and it can kill quickly. It takes less than five seconds for a person caught in flowing grain to be trapped.

The mechanical aspects of grain handling equipment also present a real danger. Augers, power take offs, and other moving parts can grab you or the clothing you might be wearing. These hazards, along with pinch points and missing shields, are dangerous enough for adults, not to mention children. It is always advisable to keep children a safe distance from operating farm equipment. Always use extra caution when backing or maneuvering farm machinery. Insure everyone is visibly clear and accounted for before machinery is engaged. FSA wants all farmers to have a productive crop year, and that begins with putting safety first.

Cold Storage Facility Loans

The Farm Storage Facility Loan Program has been amended to allow producers to build cold storage facilities to store their fresh fruits and vegetables. To be eligible, cold storage facilities must have a useful life of 15 years and include:

- new structures suitable for cold storage facility;
- new walk-in prefabricated permanently installed coolers suitable for storing fresh fruits and vegetables;
- new permanently affixed cooling, circulating and monitoring equipment;

- electrical equipment integral to the proper operation of a cold storage facility; and must be
- an addition or modification to an existing storage facility.

USDA will not make cold storage facility loans for portable structures, portable handling and cooling equipment, used, or pre-owned structures or cooling equipment or structures deemed unsuitable. The maximum loan amount for a Farm Storage Facility loan is \$500,000 per loan, which requires a down payment of at least 15 percent. Applications must be approved before construction can begin. Loan terms of 7, 10 or 12 years are available depending on the amount of the loan. Loans applications should be submitted to the administrative FSA county office that maintains the records of the farm or farms to which the application applies. If the commodities are produced on land that does not have farm records established, the application must be submitted to the FSA county office that services the county where the facility will be located. For more information on this program or other FSA farm programs please contact your local FSA county office or <http://www.fsa.usda.gov>.

Farm Loan Program Eligibility Requirements

The Farm Service Agency (FSA) offers loan for farmers and ranchers to purchase farmland and finance agricultural operations. FSA loan programs are designed to help producers who are temporarily unable to obtain private or commercial credit. Farm ownership loans or farm operating loans may be obtained as direct loans for a maximum of up to \$300,000. Guaranteed loans can reach a maximum indebtedness of \$1,112,000. To qualify for assistance, applicants must meet all loan eligibility requirements, including:

- Must not be ineligible for loans as a result of a conviction for controlled substances
- Be of legal capacity to enter into a contract
- For direct Operating Loans (OL) must be operator of a family-size farm. For direct Farm Ownership (FO) loans, must be owner and operator of a family-sized farm
- Have an acceptable credit history
- For direct OL, have sufficient education; training, or at least 1-year's experience in managing or operating a farm/ranch within the last 5 years. For direct FO loans, applicants must have participated in the business operation of a farm/ranch for 3 years
- Be a citizen of the United States, a U.S. non-citizen national, or a qualified alien under federal immigration law
- Be unable to obtain credit elsewhere at reasonable rates and terms to meet credit needs
- Not be delinquent on a Federal debt
- Not been disqualified for Federal benefits due to federal crop insurance fraud
- Must agree to complete borrower training courses if required
- Not have caused FSA a loss by receiving debt forgiveness; and
- Be within the time restrictions as to the number of years they can receive FSA assistance

Farm Ownership Loans

FSA Farm Ownership (FO) Loan funds may be used to purchase a farm, enlarge an existing farm, construct new farm buildings and/or improve structures, pay closing costs, and promote soil and water conservation and protection. Direct loan funds cannot be used to refinance existing real estate debt. The maximum repayment term is 40 years for both direct and guaranteed FO loans.

Farm Operating Loans

FSA Farm Operating Loan (OL) funds may be used for normal operating expenses, purchase machinery/equipment, purchase livestock, real estate repairs, and refinancing debt. Repayment terms may vary, but typically will not exceed 7 years for intermediate-term purposes. Annual operating loans are generally repaid within 12 months or when the commodities produced are sold.

Contact your local Farm Loan Team for more information and current interest rates.

Rural Youth Loans

The Farm Service Agency makes loans to rural youths to establish and operate income-producing projects in connection with 4-H clubs, FFA and other agricultural groups. Projects must be planned and operated with the help of the organization advisor, produce sufficient income to repay the loan and provide the youth with practical business and educational experience. The maximum loan amount is \$5000.

Youth Loan Eligibility Requirements:

- be a citizen of the United States (which includes Puerto Rico, the Virgin Islands, Guam, American Samoa, the Commonwealth of the Northern Mariana Islands) or a legal resident alien
- be 10 years to 20 years of age
- comply with FSA's general eligibility requirements
- reside in a rural area, city or town with a population of 50,000 or fewer people
- be unable to get a loan from other sources
- conduct a modest income-producing agriculture-related project in a supervised program of work as outlined above
- demonstrate capability of planning, managing and operating the project under guidance and assistance from a project advisor. The project supervisor must recommend the project and the loan, along with providing adequate supervision.

Stop by the county office for help preparing and processing the application forms.

Farm Reconstitutions

In program terminology, farms are constituted to group all tracts having the same owner and the same operator under one farm serial number. When changes in ownership or operation take place, a farm reconstitution is necessary. The reconstitution — or recon — is the process of combining or dividing farms or tracts of land based on the farming operation. The following are

the different methods used when doing a farm recon.

- **Estate Method** — the division of bases, allotments and quotas for a parent farm among heirs in settling an estate
- **Designation of Landowner Method** — may be used when (1) part of a farm is sold or ownership is transferred; (2) an entire farm is sold to two or more persons; (3) farm ownership is transferred to two or more persons; (4) part of a tract is sold or ownership is transferred; (5) a tract is sold to two or more persons; or (6) tract ownership is transferred to two or more persons. In order to use the designation of landowner method, the land sold or transferred must have been owned for at least three years. The owner of the farm, along with the purchaser or transferee shall file a signed Memorandum of Understanding. A deed is not considered a Memorandum of Understanding.
- **DCP Cropland Method** — the division of bases in the same proportion that the DCP cropland for each resulting tract relates to the DCP cropland on the parent tract
- **Default Method** — the division of bases for a parent farm with each tract maintaining the bases attributed to the tract level when the reconstitution is initiated in the system.

If payments have already been issued on a particular farm, the reconstitution will be effective for the next year, unless the payments are refunded. **Request for recons should be filed by June 1.**

Banking Changes?

If you have changed banks and not notified FSA, your payment could be delayed. Payments are electronically transferred into your bank account, and if we are not aware of changes to your account and routing numbers, there could be problems. In order to make timely payments, you need to notify the office if you close your account or if another financial institution purchases your bank. It is important that any changes in producer's account such as type account, bank mergers, routing number or account numbers, be provided to the county office promptly to avoid possible payment delay.

2010 Census is Vital to Reviving Rural America

The USDA Farm Service Agency has teamed up with the U.S. Census Bureau to encourage all farmers and ranchers to complete the 2010 census. The census forms, which

were mailed in March to all residents in the United States and Puerto Rico, are comprised of 10 questions and take only 10 minutes to complete and mail back in the postage-paid envelope. Having everyone counted is critical to the security of rural communities and will ensure that the more than \$400 billion in federal funding will be allocated to these communities annually to support schools, broadband initiatives, hospitals, emergency services and public works projects. The census also determines the number of seats a state has in the House of Representatives and will determine if a state will lose or gain representation. Completing the census is not only the law, but an avenue used to help revive America's farm, food and values. Everyone needs to be counted.

Dates to Remember

May 31	Memorial Day Holiday - FSA Offices are Closed.
June 1	Final date to sign up for DCP and ACRE
June 30	Final date to report small grains
Continues	Farm Storage Facility Loans
Continues	Continuous Conservation Reserve Program.

Outreach Event

The Newton/McDonald County U.S.D.A. Service Center will host an outreach meeting on Tuesday, April 27, 2010 at 7:00 p.m. at the John Q. Hammons Civic Center in Fairview, MO. Representatives from the following agencies will be present:

Visit our website at: www.fsa.usda.gov/mo

- **Farm Service Agency**
- **Natural Resources Conservation Services & Soil and Water District**
- **Rural Development**
- **University of Missouri Extension**
- **Missouri Department of Conservation**

Program availability along with eligibility requirements will be discussed. Refreshments will be served.

Selected Interest Rates for April 2010

90-Day Treasury Bill	0.125%
Farm Operating Loans — Direct	2.875%
Farm Ownership Loans — Direct	5.00%
Farm Ownership Loans — Direct Down Payment, Beginning Farmer or Rancher	1.50%
Emergency Loans	3.75%
Marketing Assistance Loans	1.375%
7-year Farm Storage Facility Loan	3.125%
10-yr. Farm Storage Facility Loan	3.625%
12-yr. Farm Storage Facility Loan	4.00%
Commodity Loans 1996-Present	1.375%

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